

NEWS RELEASE



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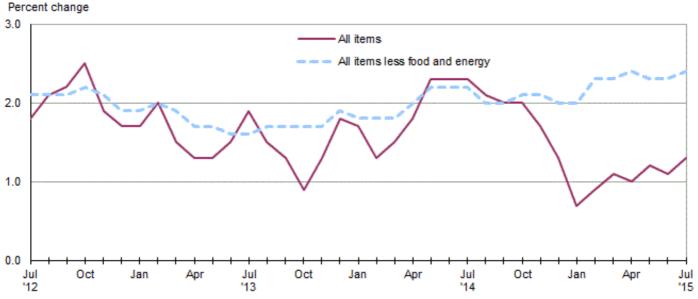
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Consumer Price Index, West Region — July 2015 Area prices were up 0.3 percent over the past month, up 1.3 percent from a year ago

Prices in the West Region, as measured by the Consumer Price Index for All Urban Consumers (CPI-U), increased 0.3 percent in July, the U.S. Bureau of Labor Statistics reported today. (See <u>table A</u>.) The July increase was influenced by higher prices for shelter and gasoline. (Data in this report are not seasonally adjusted. Accordingly, month-to-month changes may reflect seasonal influences.)

Over the last 12 months, the CPI-U increased 1.3 percent. (See <u>chart 1</u>.) Energy prices decreased 9.3 percent, largely the result of a decrease in the price of gasoline. The index for all items less food and energy rose 2.4 percent since July 2014.

Chart 1. Over-the-year percent change in CPI-U, West region, July 2012-July 2015



Source: U.S. Bureau of Labor Statistics.

Food

Food prices inched up 0.1 percent for the month of July. (See <u>table 1</u>.) Prices for food at home advanced 0.5 percent, but prices for food away from home declined 0.5 percent for the same period.

Over the year, food prices rose 1.7 percent. Prices for food away from home rose 2.1 percent, and prices for food at home advanced 1.5 percent since a year ago.

Energy

The energy index rose 2.1 percent over the month. The increase was mainly due to higher prices for gasoline (4.3 percent). Prices for electricity increased 0.3 percent, but prices for natural gas service decreased 2.4 percent in July.

Energy prices decreased 9.3 percent over the year, largely due to lower prices for gasoline (-14.2 percent). Prices for natural gas service decreased 4.7 percent, while prices paid for electricity edged up 0.2 percent during the past year.

All items less food and energy

The index for all items less food and energy edged up 0.2 percent in July. Higher prices for shelter (0.5 percent) and medical care (0.4 percent) were partially offset by lower prices for apparel (-1.2 percent), new cars (-0.4 percent), and education and communication (-0.2 percent).

Over the year, the index for all items less food and energy rose 2.4 percent. Components contributing to the increase included shelter (4.2 percent) and medical care (3.2 percent). Partly offsetting the increases were price declines in apparel (-2.0 percent) and education and communication (-0.6 percent).

Table A. West Region CPI-U monthly and annual percent changes (not seasonally adjusted)

	2010		2011		2012		2013		2014		2015	
Month	Monthly	Annual										
January	0.3	1.9	0.5	1.4	0.4	2.6	0.3	1.7	0.3	1.7	-0.3	0.7
February	0.1	1.4	0.6	1.9	0.4	2.5	0.8	2.0	0.4	1.3	0.6	0.9
March	0.3	1.6	0.9	2.6	0.9	2.4	0.4	1.5	0.6	1.5	0.8	1.1
April	0.2	1.5	0.6	3.0	0.2	2.1	0.0	1.3	0.3	1.8	0.3	1.0
May	0.1	1.3	0.3	3.2	0.2	2.0	0.2	1.3	0.6	2.3	0.8	1.2
June		0.6	-0.2	3.1	-0.2	2.0	0.1	1.5	0.1	2.3	0.0	1.1
July	0.1	0.8	-0.1	2.9	-0.3	1.8	0.0	1.9	0.1	2.3	0.3	1.3
August		0.7	0.2	3.0	0.5	2.1	0.1	1.5	-0.1	2.1		
September	-0.1	0.5	0.4	3.5	0.5	2.2	0.2	1.3	0.1	2.0		
October	0.1	0.6	0.0	3.4	0.4	2.5	-0.1	0.9	-0.1	2.0		
November	0.0	0.9	-0.2	3.2	-0.7	1.9	-0.4	1.3	-0.6	1.7		
December	0.2	1.3	-0.3	2.7	-0.5	1.7	0.0	1.8	-0.5	1.3		

The August 2015 Consumer Price Index for the West Region is scheduled to be released on September 16, 2015.

Technical Note

The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPIs for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 89 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers 28 percent of the total population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Each month, prices are collected in 87 urban areas across the country from about 6,000 housing units and approximately 24,000 retail establishments--department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index.

The index measures price changes from a designated reference date (1982-84) that equals 100.0. An increase of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: the price of a base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65. For further details see the CPI home page on the Internet at www.bls.gov/cpi and the BLS Handbook of Methods, Chapter 17, The Consumer Price Index, available on the Internet at www.bls.gov/opub/hom/homch17 a.htm.

In calculating the index, price changes for the various items in each location are averaged together with weights that represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Because the sample size of a local area is smaller, the local area index is subject to substantially more sampling and other measurement error than the national index. In addition, local indexes are not adjusted for seasonal influences. As a result, local area indexes show greater volatility than the national index, although their long-term trends are quite similar. **NOTE:Area indexes do not measure differences in the level of prices between cities; they only measure the average change in prices for each area since the base period.**

The West Region covered in this release is comprised of the following thirteen states: Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming.

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Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periodsWest (1982-84=100 unless otherwise noted)

		Indexes		Percent change from-			
Item and Group	May 2015	Jun. 2015	Jul. 2015	Jul. 2014	May 2015	Jun. 2015	
Expenditure category							
All Items	244.227	244.332	245.040	1.3	0.3	0.3	
All items (December 1977=100)	394.779	394.950	396.093				
Food and beverages	248.352	248.831	249.041	1.7	0.3	0.1	
Food	248.429	249.018	249.229	1.7	0.3	0.1	
Food at home	247.018	247.781	249.077	1.5	0.8	0.5	
Food away from home	249.196	249.537	248.217	2.1	-0.4	-0.5	
Alcoholic beverages	243.962	243.043	243.237	1.7	-0.3	0.1	
Housing	253.790	254.543	255.592	3.5	0.7	0.4	
Shelter	286.077	286.858	288.418	4.2	0.8	0.5	
Rent of primary residence (1)	299.516	300.077	301.282	4.2	0.6	0.4	
Owners' equiv. rent of residences (1) (2)	299.898	300.971	302.165	4.2	0.8	0.4	
Owners' equiv. rent of primary residence (1) (2)	299.887	300.959	302.150	4.2	0.8	0.4	
Fuels and utilities	281.185	283.095	282.591	0.5	0.5	-0.2	
Household energy	247.553	249.570	248.442	-1.4	0.4	-0.5	
Energy services (1)	250.363	252.200	251.242	-1.0	0.4	-0.4	
Electricity (1)	275.611	276.156	276.848	0.2	0.4	0.3	
Utility (piped) gas service (1)	205.983	211.028	206.061	-4.7	0.0	-2.4	
Household furnishings and operations	129.596	129.694	129.673	0.9	0.1	0.0	
Apparel	120.486	117.569	116.120	-2.0	-3.6	-1.2	
Transportation.	212.655	212.102	213.790	-3.9	0.5	0.8	
Private transportation.	205.723	204.699	207.669	-4.0	0.9	1.5	
New and used motor vehicles (3)	102.208	102.482	102.678	0.9	0.5	0.2	
New vehicles	147.661	147.987	147.620	1.7	0.0	-0.2	
New cars and trucks (3) (4)	102.610	102.854	102.586	1.6	0.0	-0.2	
New cars ⁽⁴⁾	147.015	147.414	146.810	0.6	-0.1	-0.3	
Used cars and trucks.	147.015	146.081	146.251	I	0.3	0.4	
		263.316	274.229	-1.7	I	4.1	
Motor fuel.	268.693		274.229	-14.4	2.1	4.1	
Gasoline (all types)(4)	268.144	262.634		-14.2	I		
Gasoline, unleaded regular (4)	266.188	260.676	271.793	-14.7	2.1	4.3	
Gasoline, unleaded midgrade (4) (5)	254.903	249.069	259.585	-13.2	1.8	4.2	
Gasoline, unleaded premium (4)	258.601	253.719	264.212	-12.5	2.2	4.1	
Medical Care	455.768	453.453	455.089	3.2	-0.1	0.4	
Medical care commodities	344.021	343.741	345.506	4.2	0.4	0.5	
Medical care services	491.402	488.314	489.865	2.9	-0.3	0.3	
Professional services	336.863	339.843	341.435	3.3	1.4	0.5	
Recreation (3)	110.491	111.025	111.030	0.6	0.5	0.0	
Education and communication (3)	137.667	137.813	137.604	-0.6	0.0	-0.2	
Other goods and services	401.752	402.541	402.499	1.1	0.2	0.0	
Commodity and Service Group							
All Items	244.227	244.332	245.040	1.3	0.3	0.3	
Commodities	183.355	182.581	183.246	-1.5	-0.1	0.4	
Commodities less food & beverages	150.207	148.943	149.773	-3.5	-0.3	0.6	
Nondurables less food & beverages	192.865	190.276	192.300	-5.4	-0.3	1.1	
Nondurables less food, beverages, and apparel	243.739	241.327	245.683	-6.4	0.8	1.8	
Durables	110.832	110.771	110.518	-0.5	-0.3	-0.2	
Services	300.174	301.127	301.866	3.0	0.6	0.2	
Rent of shelter (2)	304.362	305.205	306.829	4.2	0.8	0.5	
Transportation services	285.891	287.959	285.501	1.8	-0.1	-0.9	

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periodsWest (1982-84=100 unless otherwise noted) - Continued

		Indexes		Percent change from-			
Item and Group	May 2015	Jun. 2015	Jul. 2015	Jul. 2014	May 2015	Jun. 2015	
Other services	334.293	336.128	336.067	0.8	0.5	0.0	
Special aggregate indexes:							
All items less medical care	234.530	234.732	235.399	1.2	0.4	0.3	
All items less food	243.761	243.790	244.577	1.3	0.3	0.3	
All items less shelter	228.591	228.409	228.759	-0.2	0.1	0.2	
Commodities less food	153.862	152.600	153.416	-3.3	-0.3	0.5	
Nondurables	221.181	220.002	221.198	-1.8	0.0	0.5	
Nondurables less food	196.912	194.409	196.334	-4.9	-0.3	1.0	
Nondurables less food and apparel	243.387	241.122	245.071	-5.7	0.7	1.6	
Services less rent of shelter (2)	328.894	330.100	329.763	1.6	0.3	-0.1	
Services less medical care services	286.924	288.102	288.789	3.0	0.6	0.2	
Energy	261.834	259.758	265.318	-9.3	1.3	2.1	
All items less energy	244.871	245.143	245.488	2.3	0.3	0.1	
All items less food and energy	245.018	245.235	245.605	2.4	0.2	0.2	
Commodities less food and energy commodities	141.292	140.485	140.120	-0.2	-0.8	-0.3	
Energy commodities	272.201	267.044	277.746	-14.4	2.0	4.0	
Services less energy services	304.102	305.001	305.850	3.2	0.6	0.3	

⁽¹⁾ This index series was calculated using a Laspeyres estimator. All other item stratum index series were calculated using a geometric means estimator.

NOTE: Index applies to a month as a whole, not to any specific date. Data not seasonally adjusted.

⁽²⁾ Index is on a December 1982=100 base.

⁽³⁾ Indexes on a December 1997=100 base.

⁽⁴⁾ Special index based on a substantially smaller sample.

⁽⁵⁾ Indexes on a December 1993=100 base.

Regions defined as the four Census regions. West includes Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming.